

1944

There being no further business, the meeting adjourned.

.....
Chairman

.....
Secretary

TELEGRAM—Paid

COPY

November 30, 1944

MASON HOUGHLAND
c/o SPUR DISTRIBUTING COMPANY
NASHVILLE
TENNESSEE

WITH REFERENCE TO AGENDA ON DIRECTORS' MEETING SCHEDULED DECEMBER SECOND, PURSUANT TO AUTHORITY VESTED IN ME YOU ARE ADVISED THAT NO ACTION IN RESPECT TO ISSUING STOCK WILL BECOME/EFFECTIVE WITHOUT APPROVAL OF CUSTODIAN AND POSSIBLY THE COURT. YOU ARE FURTHER REQUESTED TO READ THIS TELEGRAM AT THE MEETING AND FORWARD TO THIS OFFICE COPY OF MINUTES OF DIRECTORS' MEETING.

JAMES E. MARKHAM
ALIEN PROPERTY CUSTODIAN

1945

Plaintiff's Exhibit 170

TELEGRAM

DECEMBER 29, 1944

JWC:fjp

J. M. HOUGHLAND, PRESIDENT
AND
ALVER E. PETERSON, SECRETARY
SPUR DISTRIBUTING COMPANY, INC.
FRANKLIN ROAD
NASHVILLE, TENNESSEE

IN VIEW OF REQUESTED POSTPONEMENT OF MEETING ORIGINALLY SCHEDULED FOR DECEMBER 27, 1944 TO JANUARY 13, 1945, I WISH AGAIN TO MAKE IT CLEAR THAT ACTION TAKEN ON OR ABOUT DECEMBER 2, 1944 IN ISSUING TO EQUITABLE SECURITIES CORPORATION SHARES OF COMMON STOCK OF SPUR AND GRANTING AN OPTION TO PURCHASE FURTHER SHARES, WAS CONTRARY TO MY ORDERS AND INSTRUCTIONS AND ILLEGAL AND VOID. YOU ARE DIRECTED TO MAKE NO DISPOSITION OF ANY OF THE PROCEEDS RECEIVED BY SPUR FROM EQUITABLE NOR SHALL ANY SUCH FUNDS BE IN ANY WAY COMMITTED. ANY EXPENDITURE OR COMMITMENT OF THESE FUNDS FOR THE ACQUISITION OF REAL OR PERSONAL PROPERTY OR OTHERWISE WOULD BE ILLEGAL AND WILL SUBJECT PARTIES TO PENALTIES PROVIDED BY LAW AND OTHER ACTION.

JAMES E. MARKHAM
ALIEN PROPERTY CUSTODIAN

1946

Plaintiff's Exhibit 171

TELEGRAM

December 20, 1944

**EQUITABLE SECURITIES CORPORATION
NASHVILLE, TENNESSEE**

RE ACTION OF SPUR DISTRIBUTING CO., INC. IN
PURPORTEDLY ENTERING INTO A CONTRACT
WITH YOU DATED DECEMBER 2, 1944, CONCERN-
ING THE ISSUANCE OF CERTAIN STOCK AND
OTHER MATTERS YOU ARE ADVISED THAT SUCH
PURPORTED ACTION WAS CONTRARY TO THE
ORDER AND INSTRUCTION OF THE ALIEN PROP-
ERTY CUSTODIAN AND CONSEQUENTLY IN VIO-
LATION OF APPLICABLE PROVISIONS OF LAW
AND SUBJECT TO THE PENALTIES THEREIN
PROVIDED.

**JAMES E. MARKHAM
ALIEN PROPERTY CUSTODIAN**

Form TFE-1 (Revised 8-1-41)

**TREASURY DEPARTMENT
Office of the Secretary**

**APPLICATION FOR A LICENSE TO ENGAGE IN A
FOREIGN EXCHANGE TRANSACTION, TRANS-
FER OF CREDIT, PAYMENT, EXPORT OR WITH-
DRAWAL FROM THE UNITED STATES, OR
THE EARMARKING, OF GOLD OR SILVER
COIN OR BULLION OR CURRENCY, OR THE**

1947

TRANSFER, WITHDRAWAL OR EXPORTATION OF, OR DEALING IN, EVIDENCES OF INDEBTEDNESS OR EVIDENCES OF OWNERSHIP OF PROPERTY.*

(To be executed and filed in triplicate with the Federal Reserve Bank for the district or with the Governor or High Commissioner of the territory or possession of the United States in which the applicant resides or has his principal place of business or principal office or agency. If the applicant has no legal residence or principal place of business or principal office or agency in a Federal Reserve district or such territory or possession the application should be filed with the Federal Reserve Bank of New York or the Federal Reserve Bank of San Francisco.)

To the Secretary of the Treasury
Washington, D. C.

Sir:

I

In accordance with Executive Order No. 8389 of April 10, 1940, as amended, regulating transactions in foreign exchange, etc., and the Regulations and Rulings issued thereunder, the undersigned hereby applies for a license to execute the transaction described below:

A. (1) The name of the applicant is.....
Spur Distributing Co., Inc.

(2) Applicant resides at or, in the case of a corporation, partnership, association or other organization, has its principal place of business at:

8th and Bradford Street Nashville Tennessee
(Street) (City) (State)

Davidson
(Country)

* All definitions appearing in Executive Order No. 8389 of April 10, 1940, as amended, and the Regulations and Rulings issued thereunder shall apply to the terms employed herein.

(3) Applicant is and has been a citizen of see below
since

(Month)

(Day)

(Year)

(4) The nationality** of the applicant is

(5) Since April 1928 the applicant has been engaged in the business of

Retail distribution of Gasoline-oils-

Petroleum Products

(State nature of business)

B. The applicant desires a license in order to:

(State in detail the nature, purpose and amount of the transaction, and the name, address, nationality** and extent of interest of every party, including the applicant, involved or interested in the transaction.)

Pay annual dividend, not to exceed \$3.00 per share, on one hundred and thirty-nine thousand (139,000) shares. Of this seventy-three thousand and thirty-nine (73,039) are owned by Fritz Von Opel and are outstanding in the name of Houvis & Company, Nashville; nominee. Pay the proceeds of the dividend due Mr. Von Opel to a blocked account in his name, as a "national" of Liechtenstein, in the American National Bank of Nashville, Tennessee.

The Company was incorporated in Delaware in 1928. The Company does business only in the United States. About 51% of the stock of the Company is controlled by Fritz Von Opel, who is a national of Liechtenstein.

Applicant's No.

SPUR DISTRIBUTING Co., INC.

(Applicant)

By H. D. HINES

Executive Vice President.

** In the case of a corporation, partnership, or association, give country in which organized and indicate the approximate percentages of stock shares, bonds, debentures, notes, drafts, or other securities or obligations of such organization owned or controlled, directly or indirectly, by a blocked country or one or more nationals thereof.

Plaintiff's Exhibit 177

OFFICIAL RECORD OF LIECHTENSTEIN
STATUTES, YEAR 1934, NUMBER 1,
JANUARY 10, 1934

STATUTE

*About the Acquisition and the Loss of
State Citizenship*

I give my consent to the following Resolution of the Parliament made in Its Session of November 14, 1933:

#1

Generalities

The acquisition and the loss of State Citizenship will be governed in the future—besides by treaties—exclusively by the provisions of this Statute.

#2

Every state citizen must be a citizen of a municipality of the principality of Liechtenstein except the members of the princely house.

#3

Acquisition of State Citizenship

State citizenship can be acquired (a) by birth or legitimation (b) by marriage (c) by naturalization.

(a) *By birth*

Legitimate children of Liechtenstein state citizens get their state citizenship by birth. Illegitimate children of Liechtenstein citizens will be held like legitimate children if they have to be regarded as legitimates because the restriction as to marriage has been cancelled or if there is faultless ignorance of one of the spouses or if they have become legitimized by subsequent marriage or by the favor of the Prince. (Para. 160-162 of the General Civil Code).

Illegitimate children have the Liechtenstein state citizenship as long as the mother has the Liechtenstein state citizenship and as long as the mother does not lose the Liechtenstein citizenship by subsequent marriage with the father of the illegitimate child so that the child becomes legitimized by subsequent marriage. If a foreign mother of an illegitimate child marries its alleged Liechtenstein father, the child is recognized as a Liechtenstein citizen only if paternity is proved.

(b) *By marriage*

A foreign female gets the Liechtenstein state citizenship by marriage with a citizen without special act of naturalization, reserved P. 28 of the Municipality Statute of May 24, 1864 (Official Record of Liechtenstein Statutes #4).

Similarly the wife of a foreigner to whom state citizenship is granted acquires state citizenship if the marriage has not been divorced or separated by Court or declared invalid.

(c) *By Naturalization*

The state citizenship may be granted to foreigners only:

- a) If they have their full legal capacity under the law of the state of their nationality; if they lack legal capacity it can be replaced by the consent of the father or the guardian.
- b) If they prove that they will be accepted as a citizen in a municipality of Liechtenstein in case the government grants the state-citizenship.
- c) If they prove that they will lose their previous citizenship by acquiring Liechtenstein citizenship; but if under the law of the state of their origin, they keep their previous citizenship even if they acquire a new citizenship, the government may waive this requirement. The princely government may dispense with the proof for dismissal from the previous citizenship, but in these cases a person will not get diplomatic protection by Liechtenstein authorities in so far as the relation to the state of previous nationality is concerned.
- d) If they have had their permanent residence in the territory of the principality of Liechtenstein for at least three years. But this condition has not to be fulfilled under extraordinary circumstances that ask for special consideration.

The application for granting state citizenship has to be addressed to the State Executive with the following enclosures:

- a) The birth certificate of the applicant and eventually of his wife, certificate of marriage, the death certificate of pre-deceased spouse, the birth certificate of legitimate minor children. Instead of these documents, a family certificate can be filed if it is drawn by competent authority and includes the necessary information in a notarized form;
- b) The original or certified copy of a final judgment if the applicant has been divorced or separated by court or if his marriage has been declared invalid.
- c) A passport, a citizenship certificate or a similar certificate drawn by a competent authority about the citizenship of the applicant and the members of his family;
- d) The proof of permanent residence within the principality of Liechtenstein;
- e) Certificate of good reputation issued by the competent authority of the place of residence. The certificate has to include also a statement about the wife and the minor children of the applicant if they have passed 14 years. If these children live within another community a special certificate of good behaviour has to be filed for them;
- f) Statements about the property and income by banking statements, tax assessments, etc.;
- g) By applicants who do not have their permanent residence within the country: a statement that they made an agreement about their tax duty with the Treasury Department after the Tax Commission of the future home municipality has been heard;

h) An original or certified copy of the nobility certificate if the applicant intends to keep his own nobility or asks for its recognition;

i) Certificate about religious denomination.

#8

The recognition of nobility does not give any privilege.

#9

If the application is not signed by the applicant himself but by an attorney, the attorney has to show a recognized power of attorney.

#10

Naturalization fees

The applicant has to make a payment for the grant of the state citizenship. This payment is at least half of the purchase price (Einkaufsentgelt) that the applicant had to pay to a Liechtenstein municipality for the right to be admitted in the community of citizens (Aufnahme in den Heimatverband); the amount will be fixed by the princely executive. The princely executive can reduce the amount of the payment under special circumstances. A reasonable special payment will be fixed for the continuation and recognition of the nobility rights of the applicant. These payments have to be made to the princely treasury before the certificate of state citizenship is delivered.

#11

Before state citizenship is granted, the relations of the applicant to his previous national state and his personal and family conditions have to be investigated. Naturaliza-

1954

tion is excluded if these relations and conditions are so that naturalization may bring any disadvantages to the state.

#12

After the Government has examined the application, including the enclosures, and gets satisfactory information about the applicant, it has to bring the application before the Parliament. If the Parliament consents to the application, the executive has to ask the Prince to grant the state citizenship; the Prince has exclusive right to grant State citizenship except in the case of paragraph 15.

Nobody has a claim that state citizenship should be granted to him.

#13

The fact that through the grant of state citizenship also a municipal citizenship is acquired, does not give any claim for the use and the profits out of the estate of the municipality.

#14

It is within the jurisdiction of the executive or an authority empowered by him to administer the citizenship oath after the state citizenship has been granted. The citizenship oath has only to be taken by male persons of full age.

#15

Re-Admission

The executive is empowered to re-admit gratuitously persons in their previous municipal and state citizenship with the consent of the citizen meeting of the municipality where these persons were citizens previously if they have

domicile in the country or if they have been forced by special circumstances to renounce their state citizenship provided they make application for it within ten years after they return to Liechtenstein. Paragraph 7 (a)-(f) and paragraph 13 are applicable accordingly.

#16



Honorary Citizenship

If foreigners have special merits for promoting the cultural or economic interest of the state or a municipality especially by increasing opportunities for gainful employment for the population or if they have contributed in a special way to the increase of the income of the state or municipality, the prince may upon a suggestion of the princely executive grant the honorary state citizenship without a municipal citizenship; similarly a municipality may grant municipal honorary citizenship with the consent of the prince and the executive without granting a state citizenship.

#17

Loss of State Citizenship

The state citizenship is lost:

- a) By express or tacit waiver;
- b) By marriage;
- c) By withdrawal.

#18

- a) *By express waiver*

Male and female state citizen can waive their state citizenship if

- a) They are of full capacity under the laws of the country whose nationality they possess or try to acquire, and
- b) If they prove that they acquired or have been promised the state citizenship of another state for themselves and eventually for their wife and their minor legitimate children.

The application has to include official certificates about the birth and the sex of the minor legitimate children. Persons that have a guardian or curator must file the application by their legal representative.

The certificate stating the loss of citizenship has to be issued by the princely executive.

If married citizens waive their citizenship the waiver is applicable also to the wife and to the legitimate minor children.

#19

b) *By tacit waiver*

Any person who has acquired citizenship in another state under the statutes of that state and lets pass thirty years from the day of its acquisition without renewing his citizenship certificate waives silently his state citizenship. The waiver includes also the citizenship of the wife, the children and the descendants.

#20

c) *By marriage*

The wife loses her previous state citizenship by marriage with a foreigner.

1957

#21

d) *By withdrawal*

The princely executive can withdraw the state citizenship granted to a foreigner within five years since the acquisition if it is found that the conditions for naturalization as prescribed by the statute were not fulfilled. However, the state citizenship can be withdrawn at any time if it was acquired in a fraudulent way.

The fees paid under paragraph 10 of the statute will not be paid back.

#22

The municipal citizenship is lost together with the loss of state citizenship.

#23

Final Provisions

This statute supersedes the statute of March 28, 1864 L.G.B1. #3, the statute of July 27, 1920 L.G.B1. #9 and paragraph 72 of the Final Provisions of the Code on Persons and Corporations of January 20, 1926 L.G. B1. #4.

#24

This statute is not declared urgent and becomes effective on the day of its publication.

Vaduz, January 4, 1934

/s/ FRANZ

/s/ DR. HOOP

Princely President

1958

Plaintiff's Exhibit 178

THEODORE HOFFACKER & CO.

56 Pine Street
New York

August 22, 1933.

Mr. Fritz von Opel,
56 Pine Street,
New York City.

Dear Fritz:

Re: *Spur Distributing Company*

The operations of the Spur Company for the first three months of the year were unsatisfactory from the profit point of view. The situation, however, changed for the better during the months of May, June and July, resulting in a net profit for the seven months period to July 31st of \$73,293.80, to which July contributed \$38,263.59. The exceptionally good showing in July is due to the rise in gasoline prices from which the Company benefited substantially. The balance sheet position is excellent, showing total current assets of \$447,909, against current liabilities of \$133,902; cash alone accounted for \$299,231. The July report is attached.

Regarding our relationship with Mr. Houghland, would say that it appears greatly improved; still I cannot really say that Mr. Houghland's loyalty is all it should be. He seems to harbor within him a grudge against John Cole and apparently does not like to be watched too closely. As you know, I placed our own man in the Company as Assistant Treasurer, and Mr. Houghland appears not to be any too friendly with him. Under all circumstances, we must be prepared to meet any issue precipitated by him. I have not been in Nashville since last Fall, however, believe it

1959

is advisable that you and I go there during your present sojourn in the United States.

Re: Oil Refineries, Inc.

The operations of Oil Refineries, Inc. are very satisfactory. Profits are currently running at the rate of \$17,000 per month, after all charges. I felt it necessary to curb Mr. Crittenden in investing too much of the earnings in additional plant and equipment, as you will see from the attached copy of a letter sent to him. I do feel that his plant should by now be in such condition that profits can be retained in cash, and I will see to it that no new plant installations are made without my personal approval.

Re: Oil Production, Inc.

We have been negotiating for several months with one interest for about 8,000,000 barrels oil reserves, have, however, not yet been able to come to a definite agreement as to price and terms. After the consummation of this deal, our program will have been completed. I expect to receive from the Company a statement of its present condition, having written for it about ten days ago.

Re: Harvard Brewing Company

I visited the Harvard Brewing Company together with Walter Blumenthal the first time, end of May. At that time it occurred to me that Mr. Lange was overwhelmed with work and unable to keep abreast of the task. I expressed my apprehensions to Mr. Blumenthal and received from him the assurance that Mr. Lange is a very capable man and in his opinion fully able to cope with the problems. Still I insisted on having our auditors go to the plant in order to install an accounting system. The auditors reported to me that Mr. Lange could not come to speedy decisions. About the middle of June, I again visited the plant

1960

and was not at all satisfied with the way things were done. I was then informed that the Company would commence making delivery of beer on July 8th. Expecting disappointment, I went to Lowell on July 8th. By July 10th failure was admitted by the then management, so I stayed right there taking things in my own hand. After straightening out the worst problems, I arranged for a directors' meeting on July 15th, at which time I was elected Chairman of the Board of the Massachusetts Corporation and in this office the Company's chief executive officer. I returned to New York for a week to straighten out my own office matters, and immediately left for Lowell once more to organize the Company's personnel, to lay down business policies to be pursued, and to take complete charge of the operations. Attached you will find my Organization Plan which was ratified by the Directors of the Company on August 11th. You will also find attached statement of the first three months' operations showing an operating profit of \$9,043.68, and a surplus, after all charges, of \$2,212.96. I prepared a budget and plan of performance, with which operations since August 1st are in line. My budget plan indicates an annual net profit of \$660,000, and an attainable net profit of \$1,350,000. As you will see from the July statement, the Company can break even with only 25,000 barrels sales per annum based upon present prices. If you consider that the rated capacity after reconditioning of the plant is completed, is 520,000 barrels, you will agree that all elements for a remarkable money maker are available.

In view of these factors and my full conviction of prohibition repeal being a foregoing conclusion before December 6, 1933, I contracted to purchase 100,000 shares of Harvard Treasury Stock at \$2.50 per share. First payment has been made on August 21st in the amount of \$100,000.

The Company is now fully financed and will have enough money to recondition the brewery to its full capacity, and to finance its current operations with ease. When

1961

fully equipped; the Company will have acquired its plant at a cost of less than \$2.50 per barrel installed capacity compared with a cost of \$8.50 for the industry as a whole.

I desire to mention here that a cash offer was made for the plant in the condition of four weeks ago of \$2,000,000, which is equivalent to \$5.00 per share of the stock then outstanding. This offer was turned down in view of the fact that the property, when fully operating, should be worth conservatively \$6,000,000. Your proportion of this value would be 31% or \$1,860,000 for a total investment of \$320,000.

I do believe that beginning October, 1934, the Company can pay dividends at the rate of 60¢ per share, while earning at the rate of \$1.50 per share. I shall use all my personal effort to realize this goal.

Faithfully yours,

/s/ TED

Defendant's Exhibit 1

September 9, 1931

To the

Revenue Office. (Finanzamt)

Wiesbaden

My son, Fritz von Opel, who for some time has been living abroad and is no longer a resident of Germany, has an option to purchase shares of the Overseas Finance Company Ltd.

In the option contract my son assumed certain obligations. These obligations, particularly those to pay the purchase price of about sfrs. 375,000.00, and to grant a credit of sfrs. 3,500,000.00 were guaranteed by myself. Apart

1962

from this I myself am not interested in the company in any way. Therefore I do not consider the investment subject to the obligations to report in accordance with the emergency decree of August 23, 1931.

It is only as a matter of precaution that I am hereby reporting the facts. In my property tax return no mention is made of the matter, since according to my opinion no investment has been made and since the guaranty obligation was not entered into on my part until after January 1, 1931.

Very sincerely yours,

Defendant's Exhibit 2

(Enclosure attached to the report of Geheimrat Dr. Wilhelm v. Opel, Wiesbaden, of September 9, 1931.)

Application for release and reasons therefore:

The amount serves to secure a guaranty obligation. My son Fritz v. Opel, Antwerp, has concluded an option contract with Adler & Co., Zuerich, on shares of the Oversea Finance Corporation. In this connection he is obliged, upon exercise of the option or delivery of the shares to grant a credit of sfrs. 3,500,000.00, in addition to the price of the shares, which will amount to another sfrs. 375,000.00 approximately. This contract was guaranteed by myself. There is no doubt that the option will be exercised, respectively that the party to the contract will make use of his contractual rights. I am considering myself bound by the contract and therefore will not be authorized to dispose of the amount deposited with the Schweizerische Kreditanstalt in Zuerich, even after the period of the time deposit will have expired.

The company, whose shares my son acquires, is to utilize several patents and participations, particularly patents issued to my son himself. From this transaction my son expects advantages which in turn will be beneficial to German economy.

I assumed the guaranty obligation because I wanted to contribute to the efforts of my son to create for himself a vocation corresponding to his tastes and capabilities. Through persistent work my son has developed some new technical ideas and inventions. As a result he owns several German and foreign patent-rights which doubtlessly seem to offer prospects. The problem now is to exploit these inventions and patent-rights commercially and to acquire additional and supplementary patent-rights etc., for which purpose considerable capital is needed.

For your information there is enclosed copy of a letter containing a confirmation of the agreements by the party to the contract.

[3,105½

315,000

3.5

3,815,000]

Defendant's Exhibit 3

(Translated from a photostatic copy of a carbon copy of the German original.)

October 28, 1931.

Firma Adler & Co.,
Kommandit Aktien-Gesellschaft,
Zuerich.

Dear Sirs,

Since up to the present time I have not heard from my son with regard to the exercising of his option and since

1964

I am convinced that in view of the extremely difficult foreign exchange situation he will renounce the right to exercise his option. I am eager to approach you with the request that you too, renounce the right to exercise your option.

Although, in fulfilment of the promise given to my son, I have undertaken the guaranty for his governments towards you and for this purpose made available at the Schweizerische Kreditanstalt in Zuerich the sum of sfrs. 3,500,000.00—which fact will show you that I faithfully undertook to keep my promise—an entirely new situation has arisen in Germany due to the emergency legislation, which makes it absolutely impossible for me to dispose freely of the amount of foreign exchange in question. This is incontestably a case of force majeure, so that even in case you should exercise the option yourselves, you would, therefore, not be able to enforce the payment I guaranteed you, since in that case I would make myself liable to punishment in my country, and since, moreover, it is doubtful if my government will allow me to continue to retain the amount held in readiness in foreign exchange.

However, since under no circumstances do I want to get into an unpleasant controversy with you and since I am firmly convinced that you will fully appreciate the embarrassing situation in which I find myself, you will not consider it unreasonable that I am asking you to confirm to me by return mail that you, too, are ready definitely to renounce the right to exercise the option which was granted to you.

I wish to add, that I shall naturally be willing as I was before, to undertake to its full extent the guaranty I gave as soon as circumstances improve and I regain the right to dispose freely of my accounts.

Asking you again not to regard my request to renounce your right of option as resulting from bad faith, but as brought about by the pressure of circumstances I am

Yours very truly,

1965

Defendant's Exhibit 4

Zuerich, December 24, 1931

Schweizerische Kreditanstalt
Zuerich

Rechtsbureau
(Legal Department)

Herrn Dr. Ing. Wilhelm von Opel,
Geheimer Kommerzienrat,
RUESSELSHEIM am Main

We beg to inform you that Mr. Fritz von Opel, of Brassaëd near Antwerp, represented by Dr. Eugen Meier, attorney-at-law, of Liestal, has, on account of an alleged claim against you, obtained a preliminary attachment by summary proceedings before a one-judge-court, whereupon the Betreibungsamt ((collecting office)) Zuerich I, attached your account with us up to an amount of
Fr. 3,500,000.00.

As of December 22 we have transferred this amount to a newly opened preliminary attachment account. No information has been given to the Betreibungsamt.

We assume you will take the necessary steps yourself to safeguard your interests, and remain

Yours truly,

SCHWEIZERISCHE KREDITANSTALT

(sgd.) FOLKART

(sgd.) by power of procuration Frey.

1966

Defendant's Exhibit 5

Zuerich, November 30, 1931

Adler & Co., Banquiers
Kommandit-Aktien-Gesellschaft

Herrn Geheimrat Wilhelm von Opel,
Wiesbaden.

We received your letter of October 28, of this year and are referring to the conversation we had with Mr. Fritz von Opel on the 28th inst.

As we explained to Mr. Fritz von Opel in detail, it is quite impossible for us to renounce our seller's option to the shares of Overseas Finance Corporation, since we were absolutely convinced that the deal would go through in one way or another, and in expectation thereof had entered into commitment to various parties. Moreover, the time limit stipulated for the exercise of our option does not expire until December 31 of this year and we regret to be unable to make any definite declaration at the present moment.

Please be convinced that we fully appreciate the difficult position in which you find yourself, but on the other hand we hope that you too will understand that, owing to the prevailing circumstances which we explained in detail to Mr. von Opel, we cannot comply with the request expressed in your above mentioned letter.

We must rather depend entirely upon Mr. Fritz von Opel for the fulfilment of the agreement; he is the only other party to our contract and the difficulties referred to in your letter do not apply to him.

We beg to remain

Yours very truly,

ADLER & Co.

(two signatures illegible)

1967

Defendant's Exhibit 6

Wiesbaden 199/196,22.1050 Pl. 50

October 23, 1931

N L T Mister Sloan General Motors Corporation
New York City.

Wish to confirm the matters discussed with Mr. Mooney stop Personally should like to continue connection and seriously believe that it is more in the interest of your business here if I retain Opel shares instead of General Motors shares stop Propose following basis: I retain 50 per cent of my Opel shares until at least January 1, 1936 stop I am entitled to request you then to buy my shares at the price of RM 29,000.00 a share as provided in present agreement regarding the shares stop You will guarantee however the monetary exchange basis to the extent that the stipulated amount payable on January 1, 1936, is not less than Goldmarks 26,500.00 a share, computed at the legal rate of etc. You however guaranty currency by agreeing that amount payable to me on January 1, 1936 will be no less than twenty six thousand five hundred Goldmarks per share on statutory rate of one Goldmark equal to one to thousand nine hundred seventieth kilo refined gold stop As explanation "were I to sell today to you I would now receive approximately same amount that I request you to guarantee as of January 1, 1936." Should you decide at any time prior to January 1, 1936 to reduce share capital of Opel, such reduction should not affect the total amount payable to me stop My son Fritz is authorized to make an agreement on that basis. Best regards.

(sgd.) WILHELM VON OPEL

1968

Defendant's Exhibit 7

October 30, 1931

Wilhelm von Opel
Wiesbaden
Germany

Your proposal concerning one half is acceptable to us
stop Your son Feitz thinks he would like further to discuss
subject with you stop Will leave on SS Europe arrival
Wiesbaden November ninth

(sgd.) SMITH

Defendant's Exhibit 8

**UNITED STATES CIRCUIT COURT OF APPEALS
FOR THE SECOND CIRCUIT**

UEBERSEE FINANZ-KORPORATION AKTIEN GESELLSCHAFT,
Plaintiff-Appellant,
—against—

WALTER T. ROSEN, HARRY B. LAKE, PAUL M. ROSENTHAL,
HENRY MARCH, and EDWARD E. THALMANN and ALEXAN-
DER B. SIEGEL, as Trustees of the Estate of Ernest Thal-
mann, Deceased; and GIRGINIA M. ROSENTHAL, PAUL M.
ROSENTHAL, JOHN ROSENTHAL, SIDNEY BACHARACH, and
FREDERICK M. HEIMERDINGER, as Executors of the Estate
of Moritz Rosenthal, Deceased; Co-partners doing busi-
ness as LADENBURG, THALMANN & Co., and FEDERAL RE-
SERVE BANK OF NEW YORK,

Defendants-Appellees.

TRANSCRIPT OF RECORD

1969

PRELIMINARY STATEMENT

This suit was commenced by the service of an equity subpoena and the bill of complaint on the defendants on June 15, 1935. The parties to this suit are and always have been as follows: The plaintiff, Uebersee Finanz-Korporation Aktien Gesellschaft. The defendants, Walter T. Rosen, Harry B. Lake, Paul M. Rosenthal, Henry March; and Edward E. Thalmann and Alexander B. Siegel, as Trustees of the Estate of Ernest Thalmann, deceased; and Virginia M. Rosenthal, Paul M. Rosenthal, John Rosenthal, Sidney Bachrach, and Frederick M. Heimerdinger, as Executors of the Estate of Moritz Rosenthal, deceased; co-partners doing business as Ladenburg, Thalmann & Co., and Federal Reserve Bank of New York. The bill of complaint was filed June 15, 1935. The motion of the defendant Federal Reserve Bank of New York to dismiss the bill was filed June 18, 1935. That motion and the plaintiff's motion for a preliminary injunction were disposed of by Honorable Francis G. Caffey, United States District Judge. The order denying the plaintiff's motion for a preliminary injunction was entered July 16, 1935. The order dismissing the bill as to the defendant Federal Reserve Bank of New York was entered July 15, 1935. The appeal was taken July 20, 1935, and allowed on July 22, 1935.

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BILL OF COMPLAINT

**DISTRICT COURT OF THE UNITED STATES,
SOUTHERN DISTRICT OF NEW YORK.**

UEBERSEE FINANZ-KORPORATION ARTIEN GESELLSCHAFT,
Plaintiff,
—against—

**WALTER T. ROSEN, HARRY B. LAKE, PAUL M. ROSENTHAL,
HENRY MARCH; and EDWARD E. THALMANN and ALEXAN-
DER B. SIEGEL, as Trustees of the Estate of Ernest Thal-
mann, Deceased; and VIRGINIA M. ROSENTHAL, PAUL M.
ROSENTHAL, JOHN ROSENTHAL, SIDNEY BACHARACH, and
FREDERICK M. HEIMERDINGER, as Executors of the Estate
of Moritz Rosenthal, Deceased; Co-partners doing busi-
ness as LADENBURG, THALMANN & Co., and FEDERAL RE-
SERVE BANK OF NEW YORK,**
Defendants.

**TO THE HONORABLE THE JUDGES OF THE DISTRICT COURT OF
THE UNITED STATES FOR THE SOUTHERN DISTRICT OF
NEW YORK SITTING IN EQUITY:**

The plaintiff above named brings this, its bill of com-
plaint, against the above named defendants, and respect-
fully shows unto this Honorable Court, upon information
and belief, as follows:

1. The plaintiff is and at all times since 1922 was a cor-
poration duly organized and existing under the laws of the
Confederation of Switzerland, and is therefore a citizen
and resident of Switzerland. It has not and never has had
any place of business or agency therefor in the United

States, and it does not and has never carried on business therein.

2. The defendants Walter T. Rosen, Harry B. Blake, Paul M. Rosenthal and Henry March are all citizens of the United States and of the State of New York and actual residents of the City and County of New York, except the defendant Rosen, who is an actual resident of the County of Westchester. The defendants Virginia M. Rosenthal, Paul M. Rosenthal, John Rosenthal, Sidney Bachrach and Frederick M. Heimerdinger are the Executors of Moritz Rosenthal, deceased, who was a citizen of the United States and of the State of New York and an actual resident of the City of New York and County of Bronx at the time of his demise. On information and belief, the Surrogate's Court in Bronx County heretofore duly admitted to probate the will of said Moritz Rosenthal as his last will and testament and appointed the defendants Virginia M. Rosenthal, Paul M. Rosenthal, John Rosenthal, Sidney Bachrach and Frederick M. Heimerdinger as executors of the goods and chattels of said decedent, and they thereupon duly qualified as such, and have ever since been acting as such. The defendants Edward E. Thalmann and Alexander B. Siegel are citizens of the United States; the defendant Edward E. Thalmann is a citizen and resident of the State of California, and the defendant Alexander B. Siegel is a citizen of the State of New York and a resident of the County of New York; said defendants Thalmann and Siegel are the Trustees of the Estate of Ernest Thalmann, deceased, who, at the time of his death, was a citizen of the United States and of the State of New York, and an actual resident of the State and County of New York. The will of said Ernest Thalmann, deceased, was heretofore admitted to probate in the Surrogate's Court in New York County, and said Edward E. Thalmann and Alexander B. Siegel, being so named Trustees in said will, thereafter duly

qualified as such, and have ever since been acting as such Trustees.

At all the times hereinafter mentioned and now all defendants other than the defendant Federal Reserve Bank of New York were copartners doing business as such under the firm name and style of Ladenburg, Thalmann & Co. in the city and county of New York.

3. The defendant Federal Reserve Bank of New York is and at all the times hereinafter mentioned was a corporation duly organized and existing under the laws of the United States, with its place of business and residence in the city and county of New York.

4. On or about February 27, 1933, the plaintiff duly acquired for use in its business gold coins of the United States known as "double eagles" of a face amount of \$1,250,000. On or about March 2, 1933, the plaintiff delivered to the defendants other than the defendant bank the said gold coins in bags, to be stored by said individual defendants as warehousemen for account of the plaintiff, and to be returned forthwith on demand; and the said individual defendants then and there received the same, promised and agreed to hold the said bags of coin on said terms, and to return the same to the plaintiff on demand. Since March 2, 1933, the said bags of gold coins have been and remained in the care, custody, possession and control of the said individual defendants as aforesaid, and they still are and remain in their care, custody, possession and control.

5. On June 14, 1935, the plaintiff duly demanded of said individual defendants the return and possession of said bags of gold coins, but the said individual defendants wholly failed and refused to return the same.

6. The said individual defendants threaten, and if not restrained by this Court will, forthwith turn over all of the said bags of gold coins to the defendant bank for account of the Treasurer of the United States. The individual defendants claim that they are obligated to do so pursuant to the direction of the Secretary of the Treasury of the United States. If that course be pursued, the defendant bank will not hold the said gold coins for the plaintiff, but solely for the Treasurer of the United States; and it is the professed intention of said defendant bank and said Treasurer to pay to the plaintiff for said gold coins not more than the dollar face amount of said gold coins, notwithstanding the fact that it is the purpose and intent of said Treasurer to utilize said coins so as to realize therefrom a sum in excess of \$2,100,000.

7. The said gold coins have a value in Switzerland and in countries other than the United States, in which the plaintiff has investments or does business, in excess of two million one hundred thousand dollars. The said gold coins were acquired by the plaintiff in contemplation of that larger value and for use in its business at least to that extent; and the plaintiff's plans for business development and its business commitments were made accordingly. If the plaintiff be not now permitted to have and use the said gold coins, it will suffer large loss of profits and large damage in its business, the exact amount whereof however cannot be ascertained or measured, in that it will not be able to carry out its said plans, nor to fulfill its said commitments, nor to earn large profits and avoid large loss. The individual defendants have had notice of and been cognizant of all the foregoing at all times since March 2, 1933.

8. The plaintiff, not being a person subject to the jurisdiction of the United States, is not and cannot be required by law to surrender the said gold coins to the Treasurer

of the United States or to the defendant bank for his account. Heretofore the plaintiff made application to the Secretary of the Treasury of the United States for a license to transport said gold coins from the possession of the individual defendants to the defendant Federal Reserve Bank to be by it credited to the account of Banque Nationale Suisse, the Central Bank of the Confederation of Switzerland for the plaintiff's account, but said application was thereafter arbitrarily and illegally denied. The plaintiff is entitled under the law to have the defendant Federal Reserve Bank hold said gold coins when delivered to it, for the plaintiff's account, or the account of said Banque Nationale Suisse, or otherwise made available for its uses and purposes to the fullest extent possible either here or abroad.

9. The defendant bank intends and threatens, if it receives said gold coins, to transfer the same to the Treasury of the United States and thus to place the same out of reach of the plaintiff, and it does not intend to receive or hold any of said gold coins for the account of the plaintiff or for the account of said Banque Nationale Suisse.

10. The plaintiff has no adequate remedy at law. The remedy of damages in conversion would not be adequate, because it would award to the plaintiff only the value of said gold coins in New York City, and thus deprive the plaintiff of the said larger foreign value thereof, in contemplation of which the said gold coins were acquired by it for its business purposes as aforesaid, and which larger value it requires in order to realize large profits, avoid large damage and fulfill its commitments. The remedy of replevin is not practically available to the plaintiff, because it cannot give a bond in twice the value of the gold coin, as is required by law in order to seize and replevy the

gold coins in time to prevent the said individual defendants from surrendering the same to the defendant bank.

11. This is a suit of a civil nature and presents a controversy between an alien corporation and citizen and citizens of the United States. The matter in controversy exceeds the sum of \$3,000 in value, exclusive of interest and costs. This suit is brought in good faith and is not a collusive one to confer on a court of the United States jurisdiction of a case of which such court would not otherwise have jurisdiction.

WHEREFORE the plaintiff prays that the Court direct the said individual defendants to turn over to the plaintiff or its designee the said gold coins forthwith; or, if the same have heretofore passed into the control of the defendant bank, that the Court direct the said defendant bank to turn over to the plaintiff or its designee the said gold coins forthwith; that the plaintiff have such other and further relief in the premises as to the Court may seem just and that it recover of the defendants the costs and disbursements of this action.

The plaintiff further prays that it be granted a restraining order and preliminary injunction, pending the final hearing and decision of this cause, whereby the said defendants, their agents, servants, officers, and employees, and each and every of them, be enjoined and restrained from transferring, delivering, paying over or otherwise disposing of, the aforesaid bags of gold coins to any person, firm, body or corporation other than the plaintiff until the further order of this Court.

And the plaintiff further prays that a writ of subpoena issue herein directed to the above named defendants and each and every of them, commanding them on a day cer-

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tain to appear and answer this bill of complaint, but not under oath, an answer under oath being hereby waived.

ISIDOR J. KRESEL,
Solicitor for Plaintiff,
Office & P. O. Address,
15 Broad Street,
Borough of Manhattan,
City of New York.

ISIDOR J. KRESEL,
of Counsel for Plaintiff.

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

ISIDOR J. KRESEL, being duly sworn, deposes and says:

I am the attorney for the Uebersee Finanz-Korporation Aktien Gesellschaft, the plaintiff herein, which is a corporation created by and existing under the laws of the Confederation of Switzerland. The foregoing bill of complaint is true to my knowledge, except as to those matters therein stated to be alleged on information and belief, and as to those matters I believe it to be true. The reason why this verification is not made by the plaintiff is that it is a foreign corporation, and none of its officers or agents is within the United States or the County of New York in which County I have my office. The grounds of my belief as to all the matters in the foregoing complaint not stated upon knowledge are documents in my possession

made by persons having knowledge of the facts and statements made to me by the plaintiff's former attorneys.

ISIDOR J. KRESEL,

Subscribed and sworn to before me
this 15th day of June, 1935.

WILLIAM PEYTON MARIN,
Notary Public,
Kings Co. Clk's No. 753, Reg. No. 7380,
N. Y. Co. Clk's No. 965, Reg. No. 7M583,
Commission expires March 30, 1937.

(Seal)

ORDER TO SHOW CAUSE.

DISTRICT COURT OF THE UNITED STATES,

SOUTHERN DISTRICT OF NEW YORK.

E. 80-319.

UEBERSEE FINANZ-KORPORATION AKTIEN GESELLSCHAFT,

Plaintiff,

—against—

WALTER T. ROSEN, HARRY B. LAKE, PAUL M. ROSENTHAL,
HENRY MARCH; and EDWARD E. THALMANN and ALEXAN-
DER B. SIEGEL, as Trustees of the Estate of Ernest Thal-
mann, Deceased; and VIRGINIA M. ROSENTHAL, PAUL M.
ROSENTHAL, JOHN ROSENTHAL, SIDNEY BACHARACH, and
FRÉDERICK M. HEIMERDINGER, as Executors of the Estate
of Moritz Rosenthal, Deceased; Co-partners doing busi-
ness as LADENBURG, THALMANN & Co., and FEDERAL RE-
SERVE BANK OF NEW YORK,

Defendants.

On the annexed verified bill of complaint, and the annexed affidavit of Isidor J. Kresel, sworn to June 15th, 1935, it is

ORDERED that the defendants herein, or their attorneys, show cause at a Stated Term of this Court for the hearing of motions, to be held in Room 235 of the Old Post Office Building, Park Row, in the Borough of Manhattan, City of New York, on the 18th day of June, 1935, at the opening of Court on said day, or as soon thereafter as counsel can be heard, why an order should not be made enjoining and restraining the defendants, their agents, officers, servants and employees, and each of them, during the pendency of this action and until the further order of this Court, from transferring, delivering, paying over, or otherwise disposing of, the plaintiff's bags of gold coins in said bill of complaint mentioned, to any person, firm, body or corporation other than the plaintiff; and why the plaintiff should not have such other or further relief in the premises as may be just; and, in the meanwhile, the individual defendants and said firm Ladenburg, Thalmann & Co., are and each of them is hereby restrained and stayed from transferring, delivering, paying over, said bags of gold coins to the Federal Reserve Bank of New York or to any one other than the plaintiff until the entry and service of an order on this application.

Service of this order, and the papers on which it is made, on the defendants or their attorneys on or before June 17th, 1935, at 11 o'clock in the forenoon, shall be sufficient.

Dated, New York City, June 15, 1935.

ALFRED C. DOXE.
U. S. D. J.

AFFIDAVIT OF ISIDOR J. KRESEL,
DATED JUNE 20, 1935.

DISTRICT COURT OF THE UNITED STATES,
SOUTHERN DISTRICT OF NEW YORK.

UEBERSEE FINANZ-KORPORATION ARTIEN GESELLSCHAFT,

Plaintiff,

—against—

WALTER T. ROSEN, *et al.*, Co-partners doing business as
LADENBURG, THALMAN & Co., and FEDERAL RESERVE
BANK OF NEW YORK,

Defendants.

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

ISIDOR J. KRESEL, being duly sworn, deposes and says:

1. I am the attorney for the above named plaintiff, I make this affidavit in reply to the opposing affidavit of Friedrich Wille herein, sworn to June 18, 1935, and filed by the defendant firm.

2. In said opposing affidavit it is suggested that the facts may reveal that the plaintiff is doing business in the United States, and thus that it is subject to lawful requisition of the gold under the Act of Congress of March 9, 1933, and the orders made thereunder. That subject was heretofore considered in the Department of the Treasury and the plaintiff's then attorneys, Messrs. Davis, Polk, Wardwell, Gardiner & Reed, submitted thereon the following affidavits, to wit:

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(1) Affidavit of Eugen Meier, president of the plaintiff, sworn to May 28, 1935;

(2) Affidavit of Manfred Wronker-Flatow, sworn to June 6, 1935;

(3) Affidavit of Friedrich Wille, sworn to June 6, 1935;

(4) Affidavit of Theodore Hoffacker, sworn to June 6, 1935;

(5) Affidavit of Fritz von Opel, sworn to June 7, 1935;

(6) Second affidavit of Theodore Hoffacker, sworn to June 12, 1935;

(7) Second affidavit of Fritz von Opel, sworn to June 12, 1935.

I submit to the Court herewith copies of said affidavits and English translations of the exhibits in German annexed thereto.

3. I shall also submit to the Court copies of the two memoranda of law which the plaintiff's said former attorneys submitted to the Treasury Department in its behalf.

ISIDOR J. KRESEL

Subscribed and sworn to before me
this 26th day of June, 1935.

WILLIAM PEYTON MARIN,

Notary Public,

Kings Co. Clk's No. 758, Reg. No. 7380,

N. Y. Co. Clk's No. 965, Reg. No. 7M583,

Commission expires March 30, 1937.

(Seal)

**AFFIDAVIT OF EUGEN MEIER,
DATED MAY 23, 1935.**

**IN THE
DEPARTMENT OF THE TREASURY,
OF THE UNITED STATES OF AMERICA.**

In the Matter

of

**The Application of UEBERSEE FINANZ-KORPORATION, AKTIEN
GESELLSCHAFT, regarding gold held for its account in
the United States.**

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

EUGEN MEIER, being duly sworn says:

1. I am a Swiss citizen and reside in the City of Liestal, Confederation of Switzerland. I am and have been since 1907 an attorney at law and member of the Bar of Basle. I am and have been since about the year 1924 (with the exception of one year about 1931) a member of the Board of Directors of Adler & Co. A. G., a banking corporation organized and existing under the laws of the Confederation of Switzerland and having its office and place of business at 16 Peterstrasse, City of Zurich, Confederation of Switzerland. I now am and have been for some years President of Adler & Co. A. G.

2. In April or May, 1932, I was elected President of Uebersee Finanz-Korporation A. G. at a stockholders meeting thereof held at the office of the corporation 82 Bahnhofstrasse, Zurich, Switzerland. I have since continued and still am President of said corporation.

Uebersee Finanz-Korporation A. G. is a banking corporation organized and existing under the laws of the Confederation of Switzerland and having its office and place of business originally at 82 Bahnhofstrasse, Zurich, but since early in 1932 at the office of Adler & Co A. G., 16 Peterstrasse, Zurich. Uebersee Finanz-Korporation A. G. was organized in 1922 and entered on June 3, 1922, in the Register of Commerce of the Canton of Zurich, Switzerland. By entry in such Register of Commerce said corporation became a legal entity, pursuant to Article 52 of the Swiss Civil Code, reading as follows:

"Associations of persons organized into corporations, and institutions devoted to a special purpose and independent, receive the right of personality, by entry in the Commercial Register. Public corporations and institutions, societies not for profit, religious foundations and family foundations require no such entry. Associations or institutions for immoral or unlawful purposes cannot acquire legal personality."

Attached hereto marked Exhibit A is a true copy of the original German text of the statute or charter of said corporation. Attached hereto marked Exhibit B is a true copy of the original German text of the certificate of registration of said corporation in the said Register of Commerce.

3. The Board of Directors of said corporation consists of three members. These members are and have been since about the time of my election as President in 1932 Dr. Hans Frankenberg, a banker and Austrian citizen, and Dr. Joseph Henggeler, a lawyer and Swiss citizen, in addition to myself. Dr. Frankenberg and Dr. Henggeler both reside in Zurich. Dr. Frankenberg is and has been since 1932 in effect managing director of said corporation, conducting substantially all its affairs subject to the advice and consent of the other two directors. Of the two signatures required for valid corporate action, that of Dr. Frankenberg is almost always one.

Dr. Frankenberg is and has been since about the year 1931 managing director of Adler & Co. A. G. In conformity with general business custom in Switzerland and with the proposed new Swiss banking legislation, I as President of Adler & Co. A. G. had no part in the direct management of its affairs, which were in the hands of Dr. Frankenberg as managing director.

4. As is shown by Exhibit A, the capital stock of Uebersee Finanz-Korporation A. G. is divided into 100 shares of 5,000 Swiss francs par value. I am the owner of one of these shares. To my knowledge Dr. Henggeler and Dr. Frankenberg have each, as required by the charter, deposited one share of said stock with Adler & Co. A. G. in their respective names, but I do not know whether they own additional shares of stock. All the said 100 shares are bearer shares, and may under Swiss law be transferred or alienated without any record thereof on the books of the corporation. Article 614 of the Swiss Code of Obligations makes express provision for the creation of bearer shares in the following terms:

"Shares of stock may be bearer or registered shares; they cannot be divided."

The holder of a bearer share by virtue of his possession is presumptively the owner, as is provided by Article 846 of the same Code:

"Every holder of a security payable to bearer is deemed to have the right to demand payment thereof."

It has always been my understanding that Mr. Fritz von Opel, a German citizen and resident of St. Moritz, Switzerland, either owned personally or held for members of his family a substantial number of shares of Uebersee Finanz-Korporation A. G., but I have no personal knowledge on the subject. On May 14, 1935, I heard Mr. Fritz von Opel say that he was the owner of substantially all the stock of said corporation, subject to the right of usufruct

reserved in his father, Wilhelm von Opel. However, at the last stockholders meeting of the corporation on March 28, 1935, I was informed by Dr. Frankenberg that the shares of the corporation owned by Mr. Fritz von Opel had been pledged by him with Adler & Co. A. G. I have no personal knowledge regarding this pledge.

To the best of my knowledge and belief, none of the shares of Uebersee Finanz-Korporation A. G. is owned by a resident or citizen of the United States, and no resident or citizen of the United States has any interest in any of the shares of said corporation?

5. The Swiss Code, as interpreted by the courts, provides that the number of stockholders does not affect the separate entity and juridical existence of a Swiss corporation, and that the acquisition of all the shares in a single ownership leaves such entity and such existence unimpaired.

6. Stockholders meetings of Uebersee Finanz-Korporation A. G. are held regularly once a year at the office thereof in Zurich. The time of these meetings is in the first half of the year, usually in the spring. None of such meetings, so far as I know, has been attended by Mr. Fritz von Opel. As President I have presided at these meetings during and after 1933. Attached hereto marked Exhibits C to P inclusive are photostatic copies of the minutes of the organization and stockholders meetings of said corporation since 1922, so far as the same are available; I am informed that the minutes for the 1922 and 1923 stockholders meetings cannot be located.

The statement in the minutes for May 6, 1932, Exhibit L, that Mr. Fritz von Opel held 497 shares and that the corporation had 500 shares is erroneous since the corporation has only 100 shares and Dr. Frankenberg, Dr. Henggeler, and I are owners of at least three.

7. In Swiss law property charged with a usufruct is regarded as composed of two rights *in rem* (droits *reels*

dingliches recht), the one consisting of the usufruct belonging to the usufructuary and the other consisting of the naked property in the thing belonging to the proprietor. In Swiss law, a division of ownership in the thing is effected if the ownership of the usufruct is separate from the naked title. The right of usufruct is defined by the Swiss Civil Code §§745 and following.

8. To my knowledge Uebersee-Finanz-Korporation A. G. has never done any business in the United States or in any country outside the Confederation of Switzerland. It does not have and has never had any general agent or representative in the United States, although the Board of Directors of the corporation has from time to time issued powers of attorney to Mr. Fritz von Opel, and he has been in the United States for short periods during the existence of one or more of these powers. The Board of Directors of the corporation has never entrusted Mr. Fritz von Opel any part of the management of the corporation. On the contrary the corporation has insisted at all times on maintaining the form and substance of corporate independence with respect to Mr. Fritz von Opel and Mr. Wilhelm von Opel. Mr. Fritz von Opel does not now possess and has not since July, 1934, possessed any power of attorney on behalf of the corporation. Uebersee-Finanz-Korporation A. G. therefore submits that it is an independent foreign corporate entity not doing business in and not subject to the jurisdiction of the United States; that it is the sole owner of the gold held in its name and for its account by Messrs. Ladenburg, Thalmann & Co., No. 25 Broad Street, New York, N. Y.; and that its pending application with the Treasury Department on form TG-18 for leave to transfer said gold to the Federal Reserve Bank of New York for account of the Banque Nationale Suisse should be granted.

WHEREFORE it is respectfully prayed that reconsideration be accorded by the Treasury Department to the applica-

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tion of Uebersee Finanz-Korporation A. G. heretofore filed on or about May 9, 1934, for the above purpose, and that said application be granted.

DR. E. MEIER.

Sworn to before me this
28th day of May, 1935.

WM. H. BRUDER,
Notary Public, Bronx County No. 122,
Certificate filed in New York County No. 611,
Bronx County Register's No. 126B37,
New York County Register's No. 7B347,
Commission expires March 30, 1937.

**AFFIDAVIT OF MANFRED WRONKER-FLATOW,
DATED JUNE 6, 1935.**

**IN THE
DEPARTMENT OF THE TREASURY,
OF THE UNITED STATES OF AMERICA.**

**In the Matter
of**

**The Application of UEBERSEE FINANZ-KORPORATION AKTIEN
GESELLSCHAFT, regarding gold held for its account in the
United States.**

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

MANFRED WRONKER-FLATOW, being duly sworn, says:

I now reside at 15 Central Park West, New York, N. Y.,
and was formerly an attorney and counselor at law in Ger-
many. I received my legal education at Munich, Geneva,

and Berlin, and obtained a law degree from Berlin University in 1911. From 1911 on I was in the Prussian court service, and became a member of the Berlin Bar in 1920. As a member of the Berlin Bar I was the legal adviser of the American Chamber of Commerce in Germany and of other important American interests in Germany, including National City Bank, the Dupont interests, Eastman Kodak Company and General Motors Corporations.

In 1928 I drafted on behalf of General Motors Corporation the contract for the acquisition by them of control of the Adam Opel Motor Works at Ruesselsheim-am-Main. When the option for this acquisition was carried out by General Motors Corporation, I drafted the remaining papers in the transaction, including the escrow agreement, Exhibit Q to the affidavit of Fritz von Opel herein.

In 1929 I became a member of the Board of Supervision (Aufsichtsrat) and general counsel of Adam Opel A. G., the corporation which became the successor of Adam Opel Motor Works in 1928. In 1930 I resigned from the Board of Supervision and became a member of the Board of Management (Vorstand) of Adam Opel A. G., giving up my independent legal practice.

In September and October, 1931, I advised Dr. Wilhelm von Opel and his son Fritz von Opel in the preparation and execution of a deed of gift from the former to the latter, of which a copy is attached to the affidavit of Mr. Fritz von Opel herein marked Exhibit R. I participated in the conversations which led up to the execution of these documents. In these conversations it was stated by Dr. Wilhelm von Opel and Mr. Fritz von Opel that the securities covered in the deed of gift or the proceeds of these securities should be transferred to a corporation for the purpose of protecting the interests therein created by the deed of gift. The clauses in the deed of gift relative to the usufruct reserved to the parents of Fritz von Opel were particularly insisted on by Dr. Wilhelm von Opel, who said that he attached the greatest importance to this restriction on and reservation from the gift. As drawn

by me the deed of gift, Exhibit R, was drawn for the purpose of carrying out the intention of the parties so expressed.

In German law the right of usufruct (*niessbrauch*) was and is recognized to be a separate estate in the thing and to be a real right or right *in rem* (*dingliches recht*) in the thing. By virtue of this concept of German law and the deed of gift itself Dr. Wilhelm von Opel and his wife retained an independent property right in the securities described in the deed of gifts and in any and all proceeds thereof, which independent property right gave the parents certain definite rights and powers under German law with reference to said securities and their proceeds. The rights and powers thus reserved to the parents by virtue of their usufruct include the right to be consulted with reference to and to prevent (if so disposed) the sale of the securities or their proceeds by Mr. Fritz von Opel; the right to have provisions for the safeguard of their usufruct inserted in any agreement of pledge Mr. Fritz von Opel might make with reference to the securities or their proceeds; and the right in general to invoke the jurisdiction of the courts on the question whether or not any funds, proceeds of said securities, are invested in a manner such as to safeguard the right of usufruct and carry out in a reasonable manner the intention of the parties as expressed in their agreement creating the same. In addition by virtue of this right of usufruct the parents can at any time have the securities or their proceeds put under the joint control of themselves as usufructuaries and Mr. Fritz von Opel as holder of legal title.

The right of usufruct was derived by German law from the Roman law, and is governed by the following among other provisions of the German Civil Code, drafted in 1896 and promulgated in 1900, which is still the law of Germany:

"§1030. The thing may be encumbered in such a manner that the person in whose favor the thing is encumbered has the right to draw the fruits of the thing (*niessbrauch* [usufruct]).

§1036. The usufructuary is entitled to the possession of the thing. In exercising the right of usufruct he must maintain the existing economic function of the thing and adhere to the rules of orderly management [ordnungsmaessiger wirtschaft].

§1068. A right may also be the object of a usufruct.

§1081. Whenever a bearer security or instrument drawn to order, endorsed in blank, is the object of a usufruct, then in such case the usufructuary and the holder of legal title [eigentuemer] jointly have the right of possession of the instrument and of the renewal certificate appurtenant thereto [i.e. certificate entitling holder to new share of dividend or interest coupons (§805)]. The usufructuary is entitled to the possession of the interest, dividends or profit participation coupon pertaining to the instrument.

§1082. On request of the usufructuary or of the holder of legal title [eigentuemer], the instrument together with the renewal certificate is to be deposited with a depositary with the stipulation that the release of the instrument may only be requested jointly by the usufructuary and the holder of legal title [eigentuemer]. The usufructuary may also request the deposit of the instrument with the Reichsbank.

§1083. Both the usufructuary and the holder of legal title [eigentuemer] in the instrument are obligated to each other to cooperate in the collection of any capital falling due and in the acquisition of new interest, dividend or profit participation coupons, as well as in all other measures which are necessary in the orderly administration of an estate."

I am informed that with part of the proceeds of the securities described in the deed of gift Exhibit R Mr. Fritz von Opel purchased shares of a Swiss corporation, Uebersee Finanz-Korporation A. G. If this be the fact, I am of opinion that under German law the above-described

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rights and obligations based on the reserved usufruct would attach to the Uebersee Finanz-Korporation shares in the same manner as if these shares had been described in the deed of gift itself.

I am informed that with part of the proceeds of the securities described in the deed of gift Exhibit R there was purchased a quantity of gold now situated in the United States. On this assumption of fact, I am of opinion that under German law the above-described rights and obligations based on the reserved usufruct would attach to this gold in the same manner as if the gold had been described in the deed of gift.

I have no personal knowledge regarding the gold held for account of Uebersee Finanz-Korporation A. G. in New York.

MANFRED WRONKER-FLATOW.

Sworn to before me this
6th day of June, 1935.

WM. H. BRUDER,
Notary Public, Bronx County No. 122,
Certificate filed in New York County No. 611,
Bronx County Register's No. 126B37,
New York County Register's No. 7B347,
Commission Expires March 30, 1937.

AFFIDAVIT OF FRIEDRICH WILLE,
DATED JUNE 6, 1935

IN THE
DEPARTMENT OF THE TREASURY,
OF THE UNITED STATES OF AMERICA.

In the Matter

of

The Application of UEBERSEE FINANZ-KORPORATION AKTIEN
GESELLSCHAFT, regarding gold held for its account in
the United States.

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

FRIEDRICH WILLE, being duly sworn, says:

1. I am an employee of Ladenburg Thalmann & Co., doing business at 25 Broad Street, Borough of Manhattan, City of New York, and have had since 1920 charge of their books of account. I am familiar with the accounts of Uebersee Finanz-Korporation A. G., Zurich, kept with said firm of Ladenburg Thalmann & Co. Said accounts were kept from May, 1923 to April, 1928, and from March, 1933, to the present time. Under date of July 27, 1934, I made an affidavit regarding the volume and nature of the business carried on between Ladenburg Thalmann & Co. and Uebersee Finanz-Korporation A. G. from April 1, 1933, to July 26, 1934, and I am now making this affidavit to set forth the volume and nature of the business carried on from May 26, 1923, to April 16, 1928. The same are as follows:

(a) We made the following purchases of securities upon instructions by Uebersee Finanz-Korporation A. G. by cable or letter from Zurich, Switzerland:

1,160 shares Deutsch Luxemburg Mining & Smelting Corp.	\$ 27,608.00
£ 1,300 Japanese Government 2d 4½% 1925	6,172.83
£ 18,800 Mexican Government 4% 1910	25,053.00
\$ 5,000 Miag Mill Machinery 7% 1956	4,541.53
\$131,000 Siemens & Halske 6½% 1951 50% paid	69,923.18
\$ 20,000 Swiss Government 5½% 1929	20,008.54
\$ 11,000 Swiss Government 5% 1926	10,802.88
	<hr/>
	\$164,109.96

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(b) We made the following sales of securities upon instructions from Uebersee Finanz-Korporation A. G. by cable or letter from Zurich, Switzerland:

400 shares American Metal Co.	\$ 16,474.00
\$ 2,000 City of Berne 8% 1945.....	2,176.78
\$ 5,000 Canadian Pacific Debenture 4%	4,213.75
\$ 3,000 Chicago Rock Island & Pacific 4% 1934	2,382.83
\$ 10,000 French Government 7% 1949.....	10,432.22
£ 4,000 Japanese Government 1st 4½% 1925	18,427.00
£ 6,300 Japanese Government 2d 4½% 1925	31,135.95
£ 2,000 Mexican Government 5% 1899.....	4,180.00
£ 18,000 Mexican Government 4% 1910.....	24,620.00
\$ 7,500 Miag Mill Machinery 7% 1956.....	7,130.40
450 shares Missouri Pacific Preferred	14,364.50
\$109,000 Rheinelbe Union 7% 1946.....	110,538.97
\$ 30,000 Rhine Westphalia Electric 7% 1950	29,958.34
\$ 2,000 Rock Island Arkansas & Louisi- ana 4½% 1934	1,552.50
\$ 51,000 Siemens & Halske 6½% 1951 50% paid	27,526.56
\$ 20,000 United Electric Service 7% 1956	20,484.44
\$ 1,000 U. S. Liberty 4th 4¼% 1938.....	1,012.61
\$ 9,000 United Steel Works 6½% 1951....	9,567.37
	<hr/>
	\$336,178.22

(c) We received from or for account of Uebersee Finanz-Korporation A. G. the following securities:

700 shares American Bemberg "A"
500 shares American Bemberg "B"
400 shares American Metal Co.

- \$ 2,000 City of Berne 8% 1945
- \$ 5,000 Canadian Pacific Debenture 4%
- \$ 3,000 Chicago, Rock Island & Pacific 4% 1934
- \$ 10,000 French Government 7% 1949
- £ 4,000 Japanese Government 1st 4½% 1925
- £ 5,000 Japanese Government 2d 4½% 1925
- £ 2,000 Mexican Government 5% 1899
- £ 13,600 Mexican Government 4% 1910
- \$ 4,243.80 Mexican Government Interest in arrears
- Class A Certificates
- \$ 2,500 Miag Mill Machinery 7% 1956
- 450 shares Missouri Pacific Preferred
- \$255,000 Rheinfelbe Union 7% 1946
- \$ 30,000 Rhine Westphalia Electric 7% 1950
- \$ 2,000 Rock Island Arkansas & Louisiana 4½% 1934
- \$495,000 Siemens & Halske 6½% 1951 50% paid
- \$ 30,000 United Electric Service 7% 1956
- \$ 1,000 U. S. Liberty 4th 4¼% 1938
- \$ 9,000 United States Steel Works 6½% 1951

(d) We delivered to or for account of Uebersee Finanz-Korporation A. G. the following securities:

- 700 shares American Bemberg "A"
- 500 shares American Bemberg "B"
- 1,160 shares Deutsch Luxemburg Mining & Smelting Corp.
- £ 14,400 Mexican Government of 4% 1910
- \$ 4,243.80 Mexican Government Interest in Arrears
- Class A Certificates
- 146,000 Rheinfelbe Union 7% 1946
- 575,000 Siemens & Halske 6½% 1951 50% paid
- 20,000 Swiss Government 5½% 1929
- 11,000 Swiss Government 5% 1926
- 11,000 United Electric Service 7% 1956

(e) We collected dividends and coupons totaling \$22,308.

(f) We granted Uebersee Finanz-Korporation A. G. time loans totaling \$160,000 which were repaid.

(g) We received payments for their account totaling \$329,912.02.

(h) We made payments upon their orders totaling \$520,686.07.

(i) Other items, being interest, commissions and expenses, resulted in a total net debit of \$3,602.21.

2. So far as I know Uebersee Finanz-Korporation A. G. have never had and have not now a resident agent or representative or an office in the United States. Ladenburg Thalmann & Co. have at no time been the agent or representative of Uebersee Finanz-Korporation A. G. in the United States or otherwise, but have acted at all times solely as their bankers.

3. In due course of mail Ladenburg Thalmann & Co. received a letter signed on behalf of Uebersee Finanz-Korporation A. G. by Dr. E. Meier and Dr. Frankenberg and dated at Zurich July 17, 1934. This letter, which is in the German language, reads in translation as follows:

"We refer to our two letters of April 5th and August 17th, 1933, in which we have forwarded to you powers of attorney for Mr. Fritz von Opel, and request you to take note that all these powers are

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to be considered as void and therefore without object."

FRIEDRICH WILLE.

Sworn to before me this
6th day of June, 1935.

ALAIN J. MAY,
Notary Public,
Queens Co. No. 976, Reg. No. 985,
Certificate filed in New York County,
N. Y. Co. Clerk's No. 162, Reg. No. 6M98,
My Commission expires March 30, 1936.

(Seal)

AFFIDAVIT OF THEODORE HOFFACKER, DATED
JUNE 6, 1935.

IN THE
DEPARTMENT OF THE TREASURY,
OF THE UNITED STATES OF AMERICA.

In the Matter

of

The Application of UEBERSEE FINANZ-KORPORATION AKTIEN
GESELLSCHAFT, regarding gold held for its account in
the United States.

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

THEODORE HOFFACKER, being duly sworn, says:

I am a resident of New York State, having my home at Briarcliff Manor, New York, and doing business under the name of Theodore Hoffacker & Co., 56 Pine Street, Borough of Manhattan, New York, N. Y.

The following is an account of my relationship with Mr. Fritz von Opel and the Uebersee Finanz-Korporation A. G.:

I first became acquainted with Mr. Fritz von Opel in October, 1931, when he was introduced to me at my office by Mr. Werner von Clemm. At that time Mr. von Opel asked me to advise him regarding his investments in the United States. I entered into a written agreement with Mr. von Opel, dated October 30, 1931 (a true copy of which is attached as Exhibit V to the affidavit of Fritz von Opel filed herein), whereby Mr. von Opel gave me discretion to deal with certain blocks of General Motors Corporation common stock owned by him. After dealing with these securities in accordance with the terms of the agreement, Mr. von Opel cancelled the agreement on or about January 8, 1932.

From time to time thereafter I transmitted to City Bank Farmers Trust Company instructions from Mr. von Opel regarding cash and securities held for his account by that bank.

In June, 1932, Mr. von Opel transferred the bulk of his investments in the United States to the Uebersee Finanz-Korporation A. G. Thereafter I continued to act as investment counsel to him in his personal capacity and as attorney-in-fact to the Uebersee Finanz-Korporation A. G. I transmitted instructions regarding the Uebersee accounts from Mr. von Opel as attorney-in-fact to the City Bank Farmers Trust Company, and these were always confirmed

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either by Mr. von Opel, as attorney-in-fact, or by the corporation itself in Zurich.

From time to time limited powers of attorney were issued to me to vote the proxies of certain stock held by the Uebersee Finanz-Korporation A. G., chiefly Harvard Brewing Co., Spur Distributing Co., Oil Refineries, Inc., and Oil Production, Inc.

I continued to act in my capacity as investment counsel as aforesaid after the bulk of the holdings of the Uebersee Finanz-Korporation A. G. were transferred to Ladenburg Thalmann & Co. from the City Bank Farmers Trust Company, in the early part of 1933.

I have no personal knowledge regarding the purchase of gold in the United States in February, 1933, by Uebersee Finanz-Korporation A. G. except that I was informed by cable from Mr. Fritz von Opel in Europe after the purchase of the gold that it had been made.

At no time was I ever an agent or representative of Uebersee Finanz-Korporation A. G. Any dealings in regard to investments now held by it were conducted by me, solely in my capacity as investment counsel to and solely with Mr. Fritz von Opel.

THEODORE HOFFACKER.

Sworn to before me this
6th day of June, 1935.

MARION VAN VOAST, Notary Public,
Kings Co. Clks. No. 91, Reg. No. 7043,
N. Y. Co. Clks. No. 85, Reg. No. 7V43,
Commission expires March 30, 1937.

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AFFIDAVIT OF FRITZ VON OPEL,
DATED JUNE 7, 1935.

IN THE
DEPARTMENT OF TREASURY,
OF THE UNITED STATES OF AMERICA.

In the Matter

of

The Application of UEBERSEE FINANZ-KORPORATION AKTIEN
GESELLSCHAFT, regarding gold held for its account in
the United States.

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.

FRITZ VON OPEL, being duly sworn, says:

1. I am a German citizen by birth, but left Germany in 1929, and have since resided outside of Germany. I now reside in St. Moritz, Switzerland. I am a mechanical engineer by profession, having received a degree as engineer from the Darmstadt Hochschule in 1922 or 1923.

2. From 1923 or 1924, after leaving the university, I was employed as mechanical engineer in the Adam Opel Motor Works at Ruesselsheim-am-Main, Germany. The Adam-Opel Motor Works was a family enterprise organized as a partnership and engaged in the manufacture of motor cars at Ruesselsheim, with various branches in Germany. The factory had originally been founded by my grandfather, Adam Opel, in 1862 for the manufacture of sewing machines, bicycles, etc.

In 1928 the Adam Opel Motor Works was reorganized as a corporation under the title Adam Opel Aktien Gesellschaft with the former partners as shareholders. The capitalization of the new company was 60,000,000 Reichsmarks divided into 6,000 shares of a par value of 10,000 Reichsmarks each. In 1928 also I became general manager of the corporation.

3. Pursuant to negotiations which began at the end of 1928 and were consummated in March or April, 1929, the stockholders of Adam Opel A. G. sold to General Motors Corporation 80% of the stock of Adam Opel A. G. Of the remaining 20%, one-half, or 10%, was retained by my father, Wilhelm von Opel, and the balance, or 10%, by my uncle, Dr. Fritz Opel.

Under date of April 11, 1929, my father, Wilhelm von Opel, entered into a separate escrow agreement with General Motors Corporation whereby he deposited his said 10% of stock of Adam Opel A. G. having a par value of 6,000,000 Reichsmarks with the National City Bank of New York. A true copy of this agreement is attached hereto marked Exhibit Q. It provided in substance for the retention of the stock certificates by National City Bank until April 1, 1934, and for an option either to General Motors Corporation to buy or to my father to sell after March 31, 1931, at graduated prices varying between 23,000 Reichsmarks and 30,000 Reichsmarks per share. I did not know of the existence of this particular agreement until October, 1931, as hereinafter stated.

4. Toward the end of the year 1929 I went to America for the purpose of familiarizing myself with American manufacturing methods, and worked as an employee for General Motors Corporation (Chevrolet Division) in their Detroit, Toledo, Saginaw and Flint plants from January to December, 1930. At the end of this period I was transferred to the employ of General Motors Export Corpora-

tion and went to their Antwerp factory, where I was employed for the first three-quarters of the year 1931.

5. In the fall of 1931 my father asked me to come to Germany to discuss with him my further employment in the Opel motor works which was now being controlled and operated by General Motors Corporation. I went to Russelsheim, and after discussion refused the post offered to me, which was inferior to my former position of general manager. In consequence of this decision my father with the consent of my mother executed under date of October 5, 1931, a deed of gift to me of his 10% of the stock of Adam Opel A. G. having a par value of 6,000,000 Reichsmarks. This document was drawn by Dr. Wronker-Flatow, general counsel to Adam Opel A. G., as legal adviser to both my father and myself in the matter. A true copy of this deed of gift is hereto attached marked Exhibit R. In substance it provided that naked title only to the shares was transferred to me, that the usufruct or interest for life of the shares remained with my father and mother and the survivor of them, that my title in the shares was likewise charged with the interest of my sister and her issue in the event of the death of my parents before my death, that the gift should be null and void in the event of my death without issue, during the life of my parents or either of them, and that this allocation of property rights in the shares should attach to their proceeds in whatsoever form. The latter provision is as follows:

"In the event that these shares should be sold or exchanged for other securities, then the proceeds of such sale or the securities received in exchange are to take the place of said shares, subject to the rights of usufruct of the parents Opel."

This deed of gift, Exhibit R, was likewise executed by me and thereby accepted in accordance with its terms. Before accepting the deed, however, I protested to my

father against the insertion of the restriction, the reservation of usufruct, etc., which left with me a mere legal title plus 20% of the dividends and interest. My father, however, insisted upon these terms. In connection with the execution and delivery of this deed of gift my father received an oral stipulation from me which was not included in the document, to the effect that these shares or their proceeds would be transferred by me immediately to a corporation whose shares would be distributed or held so as to safeguard the various interests in the stock or its proceeds set forth in the deed of gift.

Prior to the drafting and execution of the deed of gift, Exhibit R, I had no knowledge of the existence of the escrow agreement, Exhibit Q, relative to these 600 shares of Adam Opel A. G. Upon seeing the escrow agreement, however, I was alarmed to observe that it called for payment under either option in Reichsmarks; I feared a fall in Reichsmarks, having in mind the banking collapse in Austria, the Hoover moratorium, the banking troubles in Germany, and the suspension of gold payments by Great Britain which had taken place during the summer and autumn of 1931. I therefore told my father that I would go to New York immediately for the purpose of negotiating a change in this escrow agreement so as to put it, on a gold basis. For that purpose he gave me under date of October 6, 1931, a power of attorney, executed before the American Consul at Frankfurt-am-Main, of which a true copy is hereto attached marked Exhibit S.

6. Within the next few days I left for New York. Upon arriving in New York in October, 1931, I entered into negotiations with John Thomas Smith, vice president and general counsel of General Motors Corporation, in New York, for a modification of the escrow agreement, Exhibit Q, so as to place the Reichsmarks payable thereunder on a gold or gold equivalent basis. I received no definite answer on this proposal, but after several days I was told

by Mr. Smith that my father had agreed by cable with Mr. Sloan, president of General Motors Corporation, to modify the escrow agreement so that the price of 300 shares of Opel Motor Works stock, that is one-half the total number, should be payable in Reichsmarks on a gold or gold equivalent basis. On receiving this news from Mr. Smith, I considered the matter for a while and then told Mr. Smith that I did not agree and would call for payment under the escrow agreement in the exercise of my rights as attorney-in-fact. I then cabled my father stating in substance what I had done, giving my reasons, and adding that I would discuss the matter with him on my return to Germany.

On or about October 17, 1931, I gave written notice to General Motors Corporation of my election to deliver to it the shares described in the escrow agreement, Exhibit Q, at the price therein stated, which on that date was 26,500 Reichsmarks a share, representing a total price of 15,900,000 Reichsmarks. A true copy of this notice is hereto attached marked Exhibit S-1. I also filed with the National City Bank of New York the power of attorney from my father, Exhibit S, and under date of October 19, 1931, sent National City Bank a letter instructing them to deliver the shares to General Motors Corporation, of which letter a true copy is attached hereto and marked Exhibit T. The stock certificates were accordingly delivered to and receipted for by General Motors Corporation on October 20, 1931.

Since under the escrow agreement General Motors Corporation was entitled to defer payment until 30 days after receipt of my notice of intention to exercise the option, I agreed to take in part payment at once 47,625 shares of common stock of General Motors Corporation at an agreed price of \$24 per share, making a total of \$1,143,000 on the purchase price. The balance of the purchase price was to be paid by General Motors Corporation in dollars in New York at the average rate of exchange in New York.

for marks over a period of six days commencing on November 17, 1931.

Pursuant to this arrangement there was paid in by General Motors Corporation to my father's account with the National City Bank of New York the following amounts as of the following respective value dates, according to the transcript of said account furnished me by National City Bank:

<i>Value Date</i>	<i>Credit</i>
November 17, 1931	\$ 432,116.49
November 18	431,843.23
November 19	432,480.84
November 20	432,845.19
November 21	432,936.27
November 24	432,528.62
Total	\$2,594,748.64

The aggregate purchase price so paid by General Motors Corporation for the 600 shares of stock of Adam Opel A. G. described in the escrow agreement, Exhibit Q, was therefore \$3,737,748.64, or an average rate of exchange of \$0.23508 to the mark for the 15,900,000 Reichsmarks constituting the purchase price under the agreement.

7. Pursuant to my instructions, immediately after the receipt of the above amounts from time to time by the National City Bank of New York to the credit of Wilhelm von Opel, the same amounts were paid by the National City Bank of New York to the credit of an account entitled "Main Account as Custodian, Fritz von Opel, Principal A/C" with City Bank Farmers Trust Company, then at 22 William Street, New York, New York. This account was opened by me on November 16, 1931, for the special and sole purpose of receiving the proceeds of the said Adam Opel A. G. stock. The 47,625 shares of General

Motors Corporation common stock were likewise delivered to the National City Bank of New York either for my or for my father's account and were transferred upon my instructions to a custody account with City Bank Farmers Trust Company.

For the purpose of dealings in General Motors Corporation stock City Bank Farmers Trust Company set up on November 17, 1931, an account entitled "Special Account re General Motors Corporation stock as Custodian, Fritz von Opel, Principal A. C." In directing the transfer to be made by the National City Bank of New York I used the power of attorney given by my father, Exhibit S, which was supplemented for this purpose by a special power arranged by cable by my father in Germany.

In connection with the receipt of these payments and with these transfers and in accordance with the conversation above described with my father, it was my purpose to transfer the entire amount of cash and securities as soon as possible to a corporation the stock of which, like the original cost and securities themselves, would be held subject to the terms of the deed of gift, Exhibit R. For this purpose I had in mind Uebersee Finanz-Korporation A. G., an option on which was pending as hereinafter described. I asked Mr. H. D. Sammis, vice-president of City Bank Farmers Trust Company, what papers would be necessary for this operation, and he handed me a form of corporate power of attorney on which he wrote the date October 28, 1931, and which was subsequently filled out and executed under date of January 15, 1932, by Uebersee Finanz-Korporation A. G. A true copy is attached hereto marked Exhibit U.

I left New York early in November, 1931. Before leaving New York I took the advice of various investment bankers regarding the manner of investing the above described cash and securities. I was introduced to Theodore Hoffacker about the end of October, 1931, by our

mutual acquaintance, Werner von Clemm, customer's man of Burden Cole & Co. With Mr. Hoffacker I made an arrangement in writing dated October 30, 1931, of which a true copy is hereto attached marked Exhibit V, for dealing in General Motors Corporation common stock. Early in January, 1932, I cancelled the written agreement, Exhibit V, by cable.

During November and December, 1931, substantially all the cash in my accounts with the City Bank Farmers Trust Company was invested in high-grade American securities upon cable instructions from me to City Bank Farmers Trust Company.

8. On leaving New York in November, 1931, I went directly to Ruesselsheim, where I described to my father what I had done. This conversation took place before the receipt of the first payment in New York from General Motors Corporation as above described. I explained to my father the reasons which in my view made it advisable to call for payment under the escrow agreement immediately, particularly the importance of having the investment represented by such agreement in more or less liquid form available for conversion into stable forms of value which would protect the investment against the destructive effects of monetary inflation. After discussion, my father said that he agreed with this view and my decision.

At this time, I had an option to purchase all or substantially all of the stock of Uebersee Finanz-Korporation A. G., a corporation organized under the laws of Switzerland in 1922 and having its head office in Zurich. This option had been acquired in the following manner. In April, 1931, when I was employed in Antwerp as aforesaid, I learned through Dr. Frankenberg, an old acquaintance of my father's then employed in Zurich as general manager of a banking corporation known as Adler & Co., A. G., that the owners of the stock of Uebersee Finanz-

Korporation A. G. would be willing to sell it to me. I wished to acquire the stock of this or some other company for the purpose of transferring to the corporation several scores of patents upon inventions which I had made or acquired. I therefore entered into negotiations with Dr. Frankenberg as general manager of Adler & Co. A. G. for the acquisition of this stock which had a par value of 500,000 Swiss francs, with 250,000 Swiss francs paid in. These negotiations were conducted orally in Zurich and by correspondence, and resulted in the execution of a contract between me and Adler & Co. A. G. on or about April 27, 1931. No copy of this contract is available to me in New York. My recollection of this contract is that I was given thereby an option to buy, and Adler & Co. A. G. an option to sell, all or substantially all the 100 shares of 5,000 Swiss francs par value each, the option to be exercised not later than December 31, 1931, and the price to include a premium varying according to which party exercised the option. I dealt only with Adler & Co. A. G. and did not know who were the original owners and the sellers of the shares. The shares in question were bearer shares, which is a type very common in Europe, and which did not require registration of their owners' names in any record of the corporation.

Toward the end of December, 1931, the option conferred by the agreement of April 27, 1931, was exercised, and I became the purchaser of 97 out of the 100 shares issued and outstanding of Uebersee Finanz-Korporation A. G. stock at a price stated in Swiss francs somewhat above the amount paid in on the shares.

This purchase price was paid by me in the following manner:

On December 1, 1931, I transferred to the Swiss Credit Anstalt, Zurich, Switzerland, the sum of \$20,000 from my account with City Bank Farmers Trust Company, as is shown by the debit on that date on the transcript of my account, this money being part of the proceeds received

from General Motors Corporation in the above-described transaction. Upon my return to Switzerland and a few days before February 24, 1932, I drew a bearer check on the account thus created with the Swiss Credit Anstalt in the amount of 59,500 Swiss francs, being the equivalent of \$11,604, which check was to the order of bearer and which I delivered to Dr. Frankenberg for transmission to the original owners and sellers of the stock of Uebersee Finanz-Korporation A. G. in part payment of the purchase price. The debit representing payment of this check appears on my account with Swiss Credit Anstalt under date of February 24, 1932.

About March, 1932, I orally instructed Dr. Frankenberg, as managing director of Adler & Co. A. G., to pay to the original owners and sellers of the Uebersee stock the balance of the purchase price, namely 250,000 Swiss francs. This payment was made by Adler & Co. A. G. on April 2, 1932. The 250,000 Swiss francs involved represented only the one-half of the capital stock theretofore paid in. Before leaving for New York in April, 1932, as hereinafter stated, I also asked Dr. Frankenberg, as managing director of Adler & Co. A. G., to pay in the balance of the capital stock, amounting to 250,000 Swiss francs. This payment was made under date of May 24, 1932, according to the books of Adler & Co. A. G. This latter payment is noted in the minutes of the stockholders' meeting of the company held on June 1, 1932, Exhibit M to the affidavit of Dr. Eugen Meier filed herein.

Both of these transfers (the payment of the balance of the purchase price as well as the payment in of additional capital), so made by Adler & Co. A. G., upon my instructions, were charged to my personal account with Adler & Co. A. G.

Subsequently in August and November, 1932 these charges were cancelled by counterbalancing book entries pending a new capital issue of Uebersee Finanz-Korporation A. G. as hereinafter mentioned. The only cash pay-

ment made by me for the stock of Uebersee Finanz-Korporation A. G. was the payment of \$11,604 made on February 24, 1932, as above described. The entire purchase price of the Uebersee Finanz-Korporation A. G. stock sold to me in December, 1931, was paid out of the proceeds of the deed of gift from my father, Exhibit R hereto. I am positive that no other funds whatsoever were used by me in payment for these shares, and in fact upon leaving Europe in October, 1931, to go to New York, and subsequently, I had no cash at my disposal in any substantial amount except the proceeds of the said deed of gift.

9. In or shortly before January, 1932, my father left Germany on a world cruise. Before his departure about Christmas time 1931 I had a conversation with him in Ruesselsheim with regard to the above described securities with City Bank Farmers Trust Company. I said to him, and he agreed, that, if the option were exercised on the stock of Uebersee Finanz-Korporation A. G., it might not be necessary to form a new corporation but that the Uebersee Finanz-Korporation A. G. might serve as the holding company originally contemplated between us. My father asked me to be sure that the details were so arranged as to protect his and the other interests in the proceeds of the deed of gift, Exhibit R, and suggested that Dr. Frankenberg should become managing director of the holding company. The option having been exercised in the manner above-described, I went to Zurich and obtained from Uebersee Finanz-Korporation A. G. under date of January 13, 1932, a power of attorney authorizing me to sign for the corporation, employing the form furnished me as above stated by Mr. Sammis. A true copy of this power of attorney is hereto attached marked Exhibit U. At the same time I had a conference with Dr. Frankenberg in which I asked him if he would be willing to serve as a member of the board and managing director

of Uebersee Finanz-Korporation A. G. He stated that he would do so. I said that I was going to New York in the near future for the purpose of turning over the securities held for my account at City Bank Farmers Trust Company to Uebersee Finanz-Korporation A. G. Dr. Frankenberg said that in such event the corporation should cause new capital stock to be issued in my name and delivered to me up to a par value in Swiss francs equal to the value of the securities so turned over by me. He said, however, that the exact form of the issue would have to be reserved for further consideration, when we knew the exact amount of property turned over and the question of corporate taxes, etc., could be determined. The amount of new capital which we discussed was 5,000,000 to 6,000,000 Swiss francs. It was for this reason that he suggested to me the advisability of paying in at once the 250,000 Swiss francs of capital stock authorized but not issued.

10. Toward the end of April, 1932, I received a cablegram from my father asking me to meet him in New York, where he would stop on the world cruise, for the purpose of discussing with General Motors Corporation certain technical questions connected with the management and operation of the Opel motor works plant by General Motors. I arrived in New York on May 5, 1932, and had conferences with my father and the officials of General Motors Corporation on the subject of the plant in Germany and of their desire to interest us or other German concerns as minority stockholders in their German subsidiary. I also called at City Bank Farmers Trust Company soon after May 5th and informed the Trust Company that I wished to transfer to Uebersee Finanz-Korporation A. G. the cash and securities which the Trust Company held for my account. The officer of the Trust Company with whom I talked said that for this purpose a new power of attorney would be required and I cabled to

Dr. Frankenberg for such a new power. At the end of May, 1932, I received from Dr. Frankenberg a further power of attorney dated May 9, 1932, of which a true copy is attached marked Exhibit W. On the basis of this power of attorney I wrote City Bank Farmers Trust Company on May 31, 1932, directing it to open an account in the name of Uebersee Finanz-Korporation A. G. and to transfer to it all the cash and securities then held by it in my main principal and income account, with the exception of 47,625 shares of General Motors Corporation stock which was to remain in my account subject to my further instructions. A true copy of this letter is hereto attached and marked Exhibit X. In reply I received a letter from City Bank Farmers Trust Company dated June 6, 1932, enumerating the securities so transferred, of which a true copy is hereto attached and marked Exhibit Y. The total par value of these securities was \$2,339,000. Cash was transferred in addition to the amount of \$236,955.46 principal and \$2,160.00 income.

The 47,625 shares of General Motors Corporation common stock, above mentioned, were withheld from the transfer to Uebersee Finanz-Korporation A. G. in order that they might be traded in pursuant to my above-described arrangement with Mr. Hoffacker. They were so traded in during 1932 and 1933, under an oral arrangement between me and Mr. Hoffacker renewing the terms of the written agreement, Exhibit V hereto. They were ultimately converted into other securities, the certificates for which were forwarded to Uebersee Finanz-Korporation A. G. at Zurich.

At the time of this transfer I directed City Bank Farmers Trust Company, as attorney-in-fact of Uebersee Finanz-Korporation A. G., to credit 20% of income collected by the Trust Company for account of the corporation, to my personal account. This advice was to conform with the provision in the deed of gift, Exhibit R, giving me 20% of dividends and interest.

11. I left New York on or about June 5, 1932, and returned to Switzerland. Thereafter I kept in touch by cablegram with Mr. Hoffacker with regard to the investments of Uebersee Finanz-Korporation A. G. in the United States. I also frequently consulted with Dr. Frankenberg as managing director of the corporation regarding its investments, especially the corporation's investment in the stock of Spur Distributing Company, Inc., amounting to \$440,871.44.

Spur Distributing Company, Inc., was a Delaware corporation operating a gasoline distributing system. Uebersee began to purchase the stock of Spur about June, 1932, and ultimately acquired the control. Spur had no refinery and no supply of crude oil of its own. In the summer of 1932, and after my return to Europe I discussed with Dr. Frankenberg my concern over the future gasoline supply of the company. I feared increasing pressure of the larger companies against smaller competitors like Spur Distributing Company, Inc., and decided in concert with Dr. Frankenberg to take steps toward supplementing the gasoline distributing system of Spur with oil reserves and a refinery so as to constitute an independent unit and protect Spur for a period of some fifteen years. For this purpose, acting as attorney-in-fact of Uebersee, by cable instructions to City Bank Farmers Trust Company from Zurich and elsewhere in Europe I caused United States Government and public utility bonds of Uebersee to be sold and the proceeds credited to its account in New York, as follows:

<i>Date</i>	<i>Credit</i>
September 9, 1932	\$ 110,722.50
October 11	507,500.00
.....	205,000.00
October 13	255,843.75
November 14	14,758.70
.....	128,973.00
.....	6,785.60
.....	38,973.75
.....	2,202.60

2012

<i>Date</i>	<i>Credit</i>
November 16	31,565.80
	21,538.10
	3,216.40
	1,791.30
Total	\$1,328,871.50

Early in November I arrived in New York for the purpose of acquiring the additional units in connection with the Spur system. Soon after arriving I found that my fears with regard to the basis of operation of the Spur Distributing Company, Inc., were confirmed by a letter which Crittenden Engineering Company addressed to Mr. Hoffacker under date of November 17, 1932, which referred to studies beginning in September and contained the following:

"A careful analysis of Spur's 1931 operations showed an attractive profit; approximately $\frac{3}{4}$ ¢ per gallon of marketing throughout. The trend of the 1932 operations over the first nine months showed a sharply declining profit margin. This margin depends almost solely on the ability of the management to purchase quality gasoline below market quotations. The existence of low priced gasoline during ten months of 1931 was the result of chaotic conditions in several crude producing fields which were relatively stabilized in November, 1931. The trend in wholesale gasoline prices has been upwards, amounting to $\frac{1}{2}$ ¢ per gallon higher for the first nine months of 1932 than the average of 1931."

For the purpose of meeting this situation I made a proposal on November 17, 1932, to Mr. Clifford M. Leonard to invest \$1,000,000 in installments beginning December 1, 1932, and ending September 1, 1933, in stock of a proposed new corporation which with Spur Distributing Company,

Inc., would form a completely integrated oil unit. The proposed new corporation was to have an authorized capitalization of 1,000,000 shares; my proposed commitment of \$1,000,000 involved the purchase of one-fifth of the authorized capital stock; and in addition I proposed to take options for the purchase of capital stock in the amount of a further \$2,500,000, part of this purchase price to be paid for the stock of Spur Distributing Company, Inc.

These negotiations continued for several months or until about March, 1933, when for various reasons they failed to materialize. Instead two corporations were organized under Louisiana law, in the early part of 1933, one called Oil Refineries, Inc., and the other Oil Production, Inc., Mr. Leonard participating in the management. In these corporations Uebersee during 1933 invested an aggregate of \$756,000. Dr. Frankenberg and I intended on behalf of Uebersee greatly to increase its investments in these oil companies and would have increased them were it not for the impounding of the company's gold in the United States in March, 1933, as hereinafter described. Over and above the monies actually invested by Uebersee in Oil Production, Inc., and Oil Refineries, Inc., there were recommended for purchase by engineering counsel oil leases and acreage up to the amount of \$6,000,000, which has since greatly increased in value. This purchase could have been made with a present cash expenditure of \$1,500,000.

In addition upon my arrival in New York in November, 1932, I made a proposal to General Motors Corporation to repurchase stock of Adam Opel A. G. up to an amount varying between 6,000,000 and 12,000,000 Reichmarks, which proposal, if accepted, I intended to transfer to Uebersee Finanz-Korporation A. G. After some negotiation, however, this proposal was declined by General Motors Corporation in the summer of 1933.

It was by reason of these pending investments on behalf of Uebersee Finanz-Korporation A. G. that Dr. Franken-

berg and I caused the liquidation of bonds held for its account as above-described.

I returned to Switzerland in December, 1932. I went to Zurich and discussed with Dr. Frankenberg as managing director of Uebersee Finanz-Korporation A. G. the investments which I had made and was contemplating for the corporation and he approved of them.

12. The beginning of the banking holiday in the United States in February, 1933, made me fearful that the funds of Uebersee which had been put in liquid form for the express purpose of making the investments above enumerated, would be tied up indefinitely through a closing of the banks. With the very large commitments on hand and in view, I did not want Uebersee to become involved in an illiquid position. I discussed the situation with Dr. Frankenberg both by telephone and face to face, and was told by him to convert the cash holdings of the corporation into gold or foreign exchange. I therefore cabled City Bank Farmers Trust Company on February 26, 1933, as follows:

"Please purchase for account Ueberseeische One Million Two Hundred Fifty Thousand Dollars gold and place in safekeeping stop Notify me by cable"

I received from the Trust Company under date of February 27, 1933, the following acknowledgment:

"Have placed order to purchase one million two hundred fifty thousand dollars gold stop Can not extend facilities for holding said gold in custodian account. Stop Please advise disposition to be made of said metal immediately."

The Trust Company's file copy of this cablegram is entitled "Ueberseeische Finanz-Korporation Ltd. Custodian A/C number 16875".

The transcript of account of Uebersee Finanz-Korporation A. G. with the Trust Company shows a charge of

\$1,250,000 on February 27, 1933, for the purchase of gold coin. In reply to the Trust Company's cablegram I on behalf of Uebersee instructed it to deliver the gold to Ladenberg Thalmann & Co., 25 Broad Street, New York, New York for account of Uebersee. This transfer to Ladenberg Thalmann & Co. was made at the suggestion of Dr. Frankenberg. For some years before 1928 Uebersee had had an active account with Ladenberg Thalmann & Co. in New York.

In January and March, 1933, further bonds were sold by City Bank Farmers Trust Company by my orders for account of Uebersee as follows:

January 13, 1933	\$ 4,850.55
	1,184.20
March 2	74,531.25
	150,911.25
March 14	124,710.00
	24,906.25
	19,757.13
	12,821.25
Total	\$413,671.88

In March, 1933, through Ladenberg Thalmann & Co. Uebersee made sales of bonds as follows:

March 2, 1933	\$156,211.61
	97,258.67
	75,748.96
	25,312.15
March 3	110,696.66
	15,957.50
	13,033.58
	1,013.83
	20,060.46
Total	\$514,393.42

These sales also were made for the purpose of placing Uebersee Finanz-Korporation A. G. in funds with which to fulfill the investment program above described. With the closing of the American banks on March 14, 1933, the \$1,250,000 of gold was no longer available to the corporation. Acting for Uebersee I ordered \$600,000 to be transferred to the Swiss Credit Anstalt in Zurich for its account by City Bank Farmers Trust Company on March 16, 1933. Uebersee on and after September 18, 1933, sold 3,000,000 Swiss francs, as appears from the affidavit of Friedrich Wille herein verified July 27, 1934, and used the proceeds, \$910,296.90, together with other monies for the purpose of the investments for which the gold had been accumulated.

13. On or about April 24, 1933, I came to the United States for about 10 days (sailing again on May 3, 1933) in the hope of getting a definite reply from General Motors Corporation in response to the above-described proposal for the purchase of Adam Opel A. G. stock. While in New York I requested Ladenberg Thalmann & Co. to apply for a license in the name of Uebersee to export the \$1,250,000 of gold held by them. By reason of the refusal of the export license I was forced to curtail the oil program above described to approximately one-third, so that Uebersee was able through Oil Production, Inc., to purchase oil reserves amounting to only about 4,540,000 barrels instead of the 15,000,000 barrels contemplated, despite the large expenditures already incurred for geological surveys, title searches, etc.

14. On August 24, 1933, I again visited the United States as pilot of one of the two official German balloons entered by Germany in the Gordon Bennett cup races at Chicago. I was accompanied to the United States by Dr. Wronker-Flatow, who was one of the managing staff of the Opel Works and who came, among other things, for

the purpose of obtaining a definite answer to my above-described proposal for the acquisition of Opel shares.

I discussed with Ladenberg Thalmann & Co. during this visit the situation of the gold held in this country for account of the corporation by them and the investments of the corporation. My authority to deal with them on behalf of the corporation was a power of attorney dated May 17, 1933, and signed by Dr. Meier and Dr. Frankenberg, which I believe was forwarded to Ladenberg Thalmann & Co. by mail and of which a true copy is attached hereto marked Exhibit Z.

15. The 97 bearer shares of Uebersee which I acquired in the manner above stated are now on deposit in a vault in my name, No. 1917, with the Swiss Credit Anstalt in Zurich, Switzerland, the key to which is in the possession of Dr. Frankenberg. This key is held by Dr. Frankenberg as agent and representative of my father, Wilhelm von Opel, for the purpose of safeguarding his usufruct. In addition I have an oral agreement with Dr. Frankenberg as managing director of Adler & Co. A. G. by which these shares are to secure any existing or future indebtedness on my part to Adler & Co. A. G. This arrangement was made in connection with a credit opened to me by Adler & Co. A. G. up to 1,500,000 Swiss francs, principally for the purpose of fulfilling a joint obligation of my father and myself to the German Reichsbank.

16. I am married, but have no children.

17. My father Wilhelm von Opel and my mother Marta von Opel are still living. Both are citizens and residents of Germany. Neither has been in the United States since June, 1932, when they landed at New York on the world cruise above referred to. My sister, Mrs. Elinor Sachs,

is also still living. She is likewise a citizen and resident of Germany. To the best of my recollection she has not been in the United States since 1927 or 1928. The settlement with my said sister contemplated in the deed of gift Exhibit R has not yet been made.

18. At no time, to the best of my knowledge or belief, has Uebersee Finanz-Korporation A. G. been engaged in business in the United States, nor is it now so engaged. At no time has it had an agent or representative in the United States, except for the transient visits made by me as attorney-in-fact for the corporation as described in this affidavit. The corporation has not now and never has had an office or branch in the United States.

FRITZ v. OPEL

Sworn to before me this
7th day of June, 1935.

Wm. H. BRUDER,
Notary Public, Bronx County No. 122,
Certificate filed in New York County No. 611,
Bronx County Register's No. 126B37,
New York County Register's No. 7B347,
Commission Expires March 30, 1937.

AFFIDAVIT OF THEODORE HOFFACKER,
DATED JUNE 12, 1935.

IN THE
DEPARTMENT OF THE TREASURY
OF THE UNITED STATES OF AMERICA.

In the Matter

of

The Application of UEBERSEE FINANZ-KORPORATION AKTIEN
GESELLSCHAFT, regarding Gold held for its Account in
the United States.

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

THEODORE HOFFACKER, being duly sworn, says:

I am engaged in business as an investment banker and industrial manager, and made an affidavit herein on June 6, 1935. Subsequently I have been informed by Davis Polk Wardwell Gardiner & Reed, attorneys for the above-named Uebersee Finanz-Korporation A. G., that the desirability of further information has been suggested by the Treasury with respect to (a) any and all understandings between myself and Mr. Fritz von Opel or Uebersee as to compensation to me for advice with regard to investments, etc., and (b) the corporations in which Uebersee has invested in the United States, their mode of management, etc.

(a) As regards any understanding with Uebersee or Mr. Fritz von Opel concerning compensation for investment advice, etc., I have never had any communication,